

# INTERNET SALES VS FLOOR SALES

IS THERE A  
DIFFERENCE?

**PSX** DIGITAL



+ 2020 **E-BOOK**



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## CHAPTER ONE: THE INTERNET SALES MACHINE

The Internet has changed the way that people do business. More importantly, it has changed the way that consumers do business, including how they purchase items and how they prefer to purchase items that they are buying. **When it comes to doing business online, especially, the needs of consumers are changing and that's going to impact the overall success of your business.** Of course, what is going to have the biggest impact is whether or not you jump on board the Internet bandwagon and give people the resources that they need.

When you're trying to establish or improve your Internet sales department, your powersports dealership has a lot of elements to consider. Today's consumers are an entirely different market of shoppers and you have to know how to reach out to them in a format that suits their needs. That starts by understanding that Internet sales and floor sales are, in fact, very different and that you need to approach both with their own strategies and tools in order to become most successful in your powersports dealership.

### The Early Days of Internet Sales

Dealers used to never even think of the Internet. Even as other companies started selling items online, car and other vehicle and equipment dealers balked at the concept. Not only was it a bad arena for their large, high-dollar items, but the idea that online shopping would become such a regular daily happening didn't really occur to anyone at the time. And even if people did buy gifts or random items here and there on the Internet, they'd certainly never spend money on something like powersports equipment without seeing it person, right?

**You couldn't be further from the truth.** The reality of the Internet sales machine is that it has revolutionized not only the way that people buy things, but it has changed the entire consumer perspective and experience. Therefore, any powersports dealership (or other dealers) that wants to survive in today's instant gratification society needs to get online and get on board with a strong Internet sales department of their own.

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While it might not have been popular even a few years ago, the equipment and vehicle industry online has boomed in recent years. People slowly started warming to the idea of the convenience of shopping online for powersports equipment and other large purchases. Companies that led the way would tout the benefits of online shopping, including the chance to see the inventory and review all of your buying decisions in one place before making a decision. That used to be a big convenience for a number of online shoppers. **Now it's just standard operating procedure.**

## What Internet Sales Mean to Your Dealership

Internet sales aren't just about increasing your sales or your bottom line. That will happen when you do it right, of course, but there is a lot more to consider when you are looking to improve your Internet team or make more of your virtual dealership. These sales introduce your brand to an entirely new audience of customers that have different needs, desires, and shopping habits than the people that are walking into your dealership on a daily basis.

Internet sales mean that your customers may now come from all over the country to buy the powersports equipment that you have for sale. They mean that you can give people convenience and quick transactions, combined with low online pricing, to help encourage a quick buying decision that works in your favor. **More importantly, the success (or failure) of your Internet sales department could actually make or break the future of your entire powersports dealership.**

## The Difference in Your Virtual and Physical Dealership Sales Teams

Now that we've gone over the basics of having an Internet sales team and how much more important that is today than even five years ago, you have to understand that your virtual dealership and Internet sales require a different level of finesse and attention to detail than what the traditional "salesman" is used to. These transactions are all about providing accurate, quick information to people and giving them no-hassle pricing so that they can make the best buying decision. If nothing else, they generate leads for your floor sales team, which gives your online department a number of different potential roles.

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While your floor sales staff might be ready to chat up the customer and impress them with the “show” that is the sales pitch, the Internet team needs to be on a different page. Where someone walking into a dealership is totally prepared for the interaction with the sales team and the lengthy process that is often associated with purchasing a vehicle or a piece of powersports equipment, someone who is shopping online has much different plans and intentions for their experience.

Your virtual sales team needs to cater to the demands of the new customer experience and the online buying journey. **This is where the biggest difference lies in online versus traditional sales.** It's not just about pricing, selection, or convenience. The fact that the customer is demanding a new journey when they shop at a dealership is what spurred the change in the industry and what will continue to change the way that your dealership operates both online and in your physical showroom. You just have to take a minute to understand what that customer experience is and exactly what it is that your audience wants.



## CHAPTER TWO: THE CUSTOMER EXPERIENCE

Customers know what they want, even when they say that they don't. Someone might believe in their head that they are just browsing or that they don't know what they need right away, but in the back of their mind, the customer already has an expectation. They already have an idea of what is coming, how the Internet works when it comes to shopping for things like powersports equipment, and what the process is going to be like, even if they say they are just getting started. It's an assumption that consumers make in the back of their mind, based on previous experience and what they want, and it's one that you have to understand so that you can capitalize on it effectively.

*The best thing that you can do is understand the customer's buying journey when they shop online. That way, you can join them at the appropriate point in the transaction, which will be quite different than when you join them in person. **After all, from the moment that someone walks into your dealership, they're basically interacting with someone to a certain degree.** When they arrive at your virtual dealership website, however, they're going to have a lot more potential time to themselves to complete the transaction or get further along in the journey before they even reach out to your Internet sales team.*

### The Modern Buying Journey

Today's customer no longer needs to be 'sold' things. They don't want to be, either. People are tired of the old ways and they've adopted new shopping habits and especially online shopping habits. Although it has taken a lot longer than most industries, powersports and other vehicle sales are growing in popularity online because the dealers are learning how to cater to the needs of the modern customer and their buying journey. When someone shops online, they aren't having the same experience as someone that walks into a dealership. **Your job is to realize that and capitalize on it, by giving them the resources and tools to have the best Internet shopping experience possible.**

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It used to be that a customer would walk into your showroom and within a matter of minutes, they would require some type of sales assistance to find out more about a product or try something out. **Even those who were just “looking around” were far more likely to engage someone in the sales team simply because they were there and the relationship is kind of expected in some ways.** Today, the Internet means that your team enters the picture much later, and in fact might not even get contacted until it's actually time to complete the transaction.

People also have different priorities when they are shopping online than if they were shopping in a physical business. Budgets are often different and people will typically be shopping from a different perspective. Of course, some people just use the Internet as a primer to get them into the dealership, but that just goes back to making sure that your online sales team is set up to direct people however they need, whether that's by walking them through a sale or directing them to the floor staff at the dealership.

## The Smartphone is Now the Showroom

People who are shopping for things online are usually doing so from a tablet or smart device, not an actual PC of any kind. Therefore, you have to make sure that your dealership is ready to cater to those customers with a website that is dynamic and renders perfectly on mobile, while still giving them the full shopping experience that they deserve. Since your website is your showroom, you need to invest in a solid dealership platform that allows you to include robust photo and video galleries of all of your products, along with detailed information. It should also be able to do this while rendering well, and quickly, on a mobile device.

This may sound like a big task, but it's actually **quite simple and achievable** as long as you are willing to take the time to learn how to set your own dealership up for success.

## What Customers Want

Today's customer wants a totally different shopping experience. They don't want to be schmoozed and told stories. They aren't looking for a sales pitch and a lot of “good reasons” that they should take the deal that you're offering. They don't want to be pressured, and definitely do not want to be hassled when they are shopping for something as expensive as powersports equipment. They want to find what they need, get the best price and know that they got it from a trusted source.

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**92-99% OF AMERICANS**  
go online before they step foot  
into a dealership

The average powersports shopper spends  
**OVER 11 HOURS** conducting research

The average prospect is visiting  
**10 DEALERSHIPS OR WEBSITES**  
before they ever visit a dealer onsite

The average in-market buyer  
**ONLY VISITS 1.2 DEALERSHIPS**

The average closing ratio for an internet  
prospect or phone prospect  
once they show up to an appointment is  
**45 – 52%!**





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*That might sound like a tall order, but it's actually quite feasible if you just take a little time to set up your Internet sales team effectively. We'll get to that in the next chapter, though. For now, you have to understand that your Internet customers have different needs than your walk-in customers, starting with the fact that they demand competitive pricing, and that most of your competition is already delivering in that regard. Make sure that your pricing is on target and that you don't bother with the extra speeches. Just give people the good deals they want, and make the process as quick and painless as possible.*

## Relationship Building Requires a Different Approach

Today's customers are very focused on getting a continuous relationship with the brands that they buy from. They don't want to just buy a product. They want to buy a relationship. Consumers are no longer just interested in what they can get for their money. They want to know who is giving it to them, and why you are the best person for the job. Therefore, since people want different relationships, you're going to have to take a different approach to build those relationships.

The Internet customer wants you to be there on demand, but not to bother them until they ask questions. They want your virtual showroom to offer a full description and visual of the products they are shopping so that they feel like coming to see the equipment for themselves is almost a formality. They want to know that you have the absolute best pricing on the best equipment and that they aren't going to have to haggle to get the deal they deserve. That's where the growing trend of "no-hassle Internet pricing" came from—the consumer. They know what they want and now it's up to you to deliver.





## CHAPTER THREE: WHICH INTERNET SALES STRATEGY IS BEST FOR YOUR DEALERSHIP?

There are a few different ways that you can go about setting up the structure of your Internet sales department. Of course, if your ultimate goal is to grow your powersports dealership, you'll want to choose an integrated approach that combines the efforts of your online reps and your floor sales team for the best outcome for everyone. While your floor team is focusing on building those relationships and working to secure the best deal with a single customer, your Internet team can be generating leads, creating sales with online pricing specials, and even helping the floor sales team provide a better overall buying experience by getting to know the customer before they arrive.

### Choosing Your Strategy

Sometimes, it may happen that finding the right online sales strategy is all about asking customers what they want. It seems simple enough, yet it's something that a lot of businesses overlook. How can you give people the buying experience that they want, though, if you don't know exactly what that is? While some dealers want to focus their online efforts specifically on sales or lead generation, the fact of the matter is that the best possible solution for most dealerships is to adopt the BDC mentality. BDC stands for Business Development Center, and it's a far more accurate term for your virtual dealership than to just call it a showroom.

**A BDC is a place where you can cultivate leads and sales all at the same time.** You can use your Internet team to reach out to your online customers and provide them with exactly what they want, whether that is answers, a quick sale, or a connection to someone at the dealership so that they can go in and complete their transaction in person. This team integrates much more seamlessly with the floor sales team, getting rid of that big "us versus them" rift that so many dealerships see in between the two departments.

### Stop Fishing

Whatever you do, the first thing that you need to add to your agenda is to find a new way to approach the customer handoff. Right now, most dealerships have an Internet team that brings in the leads and then tells people to talk to another rep upon arrival. While this might seem like it's an effective business model (and it is), you can't let people see what you're doing. They don't want to know that they're being fished, so the integration of your two sales departments is going to be integral to your overall success with Internet powersports sales.

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## Volume vs. Profit

One of the most notable differences, for a number of people, in the virtual and physical dealership transaction, is the focus on where the money lies. In a traditional transaction on the sales floor, the salesperson is trying to get the highest profit out of the deal or to give away as little as possible in negotiations. Online, however, the sales team is usually trying to cut their prices to the lowest possible point so that they can make up the difference in volume. After all, today's customer demands a good deal so it's easier to make up volume online than it is in a physical dealership experience.

Not only that, but people who shop online are fine with rushing through the process and getting things done. That's the whole point of online shopping—the ease and speed of completing purchases and finding things that you want. **When someone walks into your dealership, you can't push them through the showroom until they've made a purchase and left.** However, when your customers come to your website, that's essentially exactly what they want you to do. Give them the tools and resources they need to make most of the buying decision before they even reach out to you. That way, you'll generate both leads and sales when you take advantage of your virtual dealership.

## The Modern Powersports Dealership Only Has One Dedicated Internet Sales Team

*While you may still have a traditional sales department and a department that focuses on the Internet operations, you shouldn't look at them as two separate groups or entities. The most successful dealerships today have merged their sales teams to create a cohesive unit that can cater to the various needs of the modern customer. Rather than dividing the efforts or trying to build too many things at once, it's easier to combine and conquer and give your customers all of the tools and resources that they need, no matter what their shopping intentions might be.*

It has typically been more of an “us versus them” situation in dealership sales, since the advent of online transactions. The Internet team felt pitted against the floor team, and vice versa. However, they both have their place in your dealership and they are a necessary part of your continued success. Therefore, instead of trying to figure out whether you should focus more on your Internet team or your floor team, focus on the future of your sales team as a whole, and how that is going to impact your dealership. Also, look at the changing needs of the dealership itself and how that can be addressed by changing the customer experience.

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## Build Your Team and Brush Up on Your Internet Skills

Now more than ever, your dealership needs to stay ahead of the competition. Thanks to the Internet, you are competing against the entire industry and not just the companies that can be found locally. Your dealership is depending on how well you transition into the Internet sales arena and adopt all of your business practices to the needs of the modern customer. Of course, there are a number of different types of customers that will come to your virtual dealership in search of powersports equipment. Therefore, you'll need to learn all about them and how to cater to them with the help of your Internet sales staff.

Stop perpetuating the awkward, disjointed handoff that happens when a customer goes from the Internet into the physical dealership. While you might not want to have salespeople working on both sides, you should have a process in place that allows for a more seamless transition to the dealership and that doesn't obviously interrupt the customer relationship building experience. Make sure that your customers feel like you are **their team**, at their disposal to help them with every step of the buying process.

*Take advantage of the fact that people want to spend more money in less time. That's essentially what online shopping offers, and it's one of the biggest advantages for many consumers. Now is your chance to restructure your sales department and come up with an integrated solution that caters to sales for your dealership as a whole. The division of the efforts is no longer effective and it doesn't usually look good to customers, so it's time to find a new way to do things. Use the information in this guide and read up on the latest virtual dealership building strategies to make the most of your Internet sales **and turn your business into the modern powersports dealership that it should be.***



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